



Fair Political Practices Commission

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NEWS ADVISORY

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Commission considers rule relating to “laundered” contributions *Regulation would clarify how such funds must be turned over to state*

The Fair Political Practices Commission will consider 20 agenda items at its monthly meeting on Tuesday (April 19), including a proposed regulation intended to clarify how “laundered” campaign contributions must be turned over in full to the state’s General Fund.

The meeting begins at 9:45 a.m. in the FPPC’s eighth-floor hearing room at 428 J St. (Fifth and J Streets) in Sacramento.

California’s Political Reform Act prohibits “laundered” campaign contributions, defined as contributions “made, directly or indirectly, by any person in a name other than the name by which such person is identified for legal purposes.” (See section 84301.) In addition, any candidate or committee that receives such a contribution, directly or indirectly, must pay to the state’s General Fund the full amount of the contribution (section 85701).

The commission, in its agenda item 14, will begin consideration of a new regulation that would:

- Clarify that a committee must pay the full amount of the contribution, without regard as to whether the committee knew the contribution was “laundered” at the time it was received, and without regard as to whether the contribution had already been spent at the time the committee became aware the contribution was “laundered.”
- Explain what triggers the duty to pay, and when the payment must be paid once the duty is triggered.

The commission will also consider several other proposed regulations relating to the elimination of paper copies of quarterly lobbying reports (agenda item 12), return of contributions with insufficient identification information about the donor (agenda item 13), and a clarification of when the provision of goods or services results in a contribution subject to the Proposition 34 contribution limits on extensions of credit (agenda item 15).

The five-member commission will also consider 17 enforcement cases.

(more)

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The agenda is posted on the FPPC website at: www.fppc.ca.gov. Click on "Agendas" on the left side of the home page, and go to "Current Agenda." For more information on a particular agenda item -- including enforcement stipulations, orders and exhibits and legal memoranda and supporting documents -- go to "Agendas" on the web site, then to "Current Agenda," then click on the links in the agenda items.

The agenda is posted on our website 10 days prior to the meeting. An additional closed session item was added on April 14, 2005. When received, comment letters relating to agenda items are posted at the top of the agenda.

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